making the penal actions more stringent. As per MDG, 2005, a dealership would be terminated in the first instance of adulteration itself.

6. Jan Kerosene Pariyojna: To streamline the PDS Kerosene distribution system and contain diversion of kerosene for adulteration and other unauthorized usages, Jan Kerosene Pariyojna (JKP) had been launched initially for a period of 6 months on a pilot basis in 414 blocks with effect from 2.10.2005. The Pilot scheme has been further extended upto 31.08.2007.

7. Smart Card Scheme: With the objective of ensuring that the benefit of the subsidy reaches the targeted consumers in an efficient and cost-effective manner and to prevent any leakages, this Ministry has proposed introduction of Smart Card System for distribution of PDS kerosene. The scheme is proposed to be introduced initially on an experimental basis. In the Pilot project, subsidized kerosene through Smart Card is proposed to be available to BPL families while all other ration card holders would be given non-subsidized kerosene. Oil Marketing Companies (OMCs) would ensure adequate availability of PDS as well as non-subsidized kerosene during tbe entire period of implementation of the Pilot.

Price of LNG to be imported from Iran

1012. SHRIMATI JAYA BACHCHAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Iran has demanded price hike for supply of Liquefied Natural Gas (LNG) to India;

(b) if so, what are the details in this regard including likely total impact; and

(c) whether India has accepted the price hike proposal?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) No formal proposal has been received from Iran regarding price revision of LNG.

(b) and (c) In view of (a) above, do not arise.

Building strategic reserves based on cheap oil

1013. SHRIMATI JAYA BACHCHAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are aware that China imported 12.4 million barrels of crude for its strategic storage tanks in December, which was more than 50 percent higher than its November intake, taking advantage of cheaper oil; and

(b) if so, what are the reasons that Government does not consider such courses for building up reserves based on cheap crude price?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) As per the FACTS Global Energy Report Issue of March, 2007, 12.4 million barrels of crude were offloaded to the Chinese storage sites of its Strategic Petroleum Reserves (SPRs) at Zhenhai, Zhejiang Province in December, 2006. This was in addition to the 3 and 4 million barrels of injections in November, 2006.

(b) In order to enhance the energy security of the country and to safeguard against short term supply disruptions, Government have approved setting up of 5 Million Metric Tonnes (MMT) strategic storage of crude oil at three locations, *viz.* Vizag (1.0 MMT), Mangalore (1.5 MMT) and Padur, Udipi (2.5 MMT). This project is likely to be completed by the end of Eleventh Five Year Plan. The Government ,is planning to further enhance its strategic reserve capacity to 15 MMT in the next phase.

Adulteration of Petrol/Diesel

1014. DR. GYAN PRAKASH PILANIA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the specific recommendations contained in 123rd report of Rajya Sabha Committee on Petitions;

(b) the follow-up action taken thereon;

(c) the steps taken to check adulteration of Petrol/Diesel, and unauthorized utilizatipn of Kerosene/LPG;

(d) the number of offenders punished with imprisonment for above malpractices, during last three years; and

(e) the estimate of revenue loss due to flourishing adulteration trade?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) 123rd Report of the Committee on Petitions of Rajya Sabha is regarding legislative and other measures to check adulteration of petrol/diesel and other malpractices at Retail Outlets (ROs); Benami operations of ROs of Petrol/Diesel allotted to the reserved categories, particularly, Scheduled Castes/Scheduled Tribes and physically handicapped persons and Dhabas near petrol pumps along National Highways and action on some other related matters. The recommendations of the Committee are contained in the Report which has already been presented in the Rajya Sabha on 11.08.2005. The complete Action Taken Report of this Ministry on the observations and recommendations of the Committee is available with the Rajya Sabha Secretariat.

(c) The possibility of adulteration of Petrol/Diesel, black marketing of Kerosene and Liquefied Petroleum Gas (LPG) by some unscrupulous elements cannot be ruled out due to huge price difference between petrol/diesel and various adulterants available in the market and the easy miscibility of kerosene with petrol/diesel.

To check adulteration in auto fuels and diversion of PDS Kerosene, Government has asked Oil Marketing Companies (OMCs) to take various steps to contain the menace of adulteration:-

(i) Under the Control Orders issued by the Government to prevent fuel adulteration, under the Essential Commodities Act, 1955, State Governments are empowered to take action against those indulging in adulteration. Government have requested the State Governments/ Union Territory Administrations to take steps to control adulteration.